Daily Report
Latin America

FBIS-LAT-88-127 *1 July 1988*

CONTENTS

CARIBBEAN

Cuba

Nicaragua's Daniel Ortega, Delegation End Visit 1
Murillo at Design Firm 1
Ortega Visits Film School 1
Castro at Farewell Ceremony 1
Minibrigades Discuss Deficiencies, Solutions 2
Castro, Ortega Attend 2
Castro Speaks at Closing 2
U.S. Preparing 'Direct Intervention' in Panama 4
CPSU Debates Said Marked by Differing Views 4
Risquet Briefs Mengistu on Quadripartite Talks 4
Further Reports on Visit *[cross-reference]* 4
Ghana's Prime Minister Obeng Concludes Visit 4
Meets With Rodriguez 4
Rodriguez at Departure 5
Castro Visits Uruguayan Child, Accident Victims 5
CDR Directive Controls Release of Information 5
CTC Sets Goals To Mark Anniversary of Founding 5

Haiti

PDCH Proposes Return to 1987 Constitution 5
APN Outlines Condition for Free Elections 6
Creation of Local Affairs Councils Likely 6
Workers Group Urges Rehiring Flour Mill Workers 6
New Teleco Board of Directors Announced 6

Trinidad and Tobago

Poll Finds Large Support for Sacked Ministers 6
Penalty Increased for Colombian Drug Dealer 7

MEXICO

Morales Decision Defended as Domestic Matter *[UNOMASUNO 29 Jun]* 8
President Urges Nationwide Fight Against Drugs *[THE NEWS 28 Jun]* 8

CENTRAL AMERICA

El Salvador

People 'Welcome' Shultz With Clashes, Protests *[Venceremos]* 9
Army Repels FMLN Attack on Garrison; 8 Wounded 9

Honduras

Lopez Contreras Responds to D'Escoto Note *[LA TRIBUNA 30 Jun]* 9

Nicaragua

Ortega on Cuba Visit, Shultz Trip, Cease-Fire 10

Humberto Ortega Statement on Military Defenses 16
Defense Ministry Reports on Contra Attacks 16
Bishops Conference Urges Peace, Dialogue 16

Panama

Rumor of Solis Palma Resignation Denied 17
Foreign Minister on Group of Eight Meeting *[Mexico City EL NACIONAL 28 Jun]* 17
Tax Clearance Certificates Invalidated *[MATUTINO 30 Jun]* 17
Finance Ministry Resolution on Tax Payments *[CRITICA 29 Jun]* 17
Briefs 19
Nicaragua Donates Fertilizer 19

SOUTH AMERICA

Argentina

Topics for Shultz Visit in August Outlined 20
Bank President Comments on New Agreement 20
Presidential Hopeful on UK Property Bill 21
Army Corps Commander Denies Report on Bombing 21

Bolivia

Traffickers Said Linked With Tunari Incidents 21

Brazil

Sarney on Trip, New Measures; Departs for PRC 21
Schedule for Sarney Visit to PRC Announced 22
Sarney Praises Relations With Argentina *[TELAM]* 22
Finance Minister Nobrega To Visit U.S., Japan 23
Members of Medellin Cartel Sentenced 23
Central Bank Announces Economic Indicators 23
Briefs 23
Inflation Rate Announced 23

Chile

Government Against OAS Debate on Haiti 23
Deputy Foreign Minister To Visit Argentina 24
Comments on Ties 24
Police Break Up Demonstrations Called by CNT 24
'Revolutionary Front' Attacks Lourdes Grotto 24
Arrests for Carrying Weapons in San Fernando 24

Colombia

M-19 Sends 12-Point Proposal to Government 25
Government Studying Offer 25
Proposal 'Not Acceptable' 26
Turbay Accepts Liberal Party Leader Nomination 26

Ecuador

Bucaram Arrives in Panama; Seeks Asylum *[DPA]* 26

Peru

President Garcia Calls for Order, Discipline 26
Alleged Shining Path Terrorists Murder Mayor *[EFE]* 28

Daily Report
Latin America

FBIS-LAT-88-128 *5 July 1988*

CONTENTS

INTER-AMERICAN AFFAIRS

Nicaragua Proposes 2-3 Aug Ministers Meeting *[Managua]* 1
ALADI Countries Reach Regional Trade Agreement *[TELAM]* 1

CARIBBEAN

Cuba

Commentary on Downing of Iranian Airliner 2
USSR Armed Forces Chief To Visit 'Shortly' 2
Risquet in Europe; Briefs Officials on Talks 2
Meets Mitterrand Adviser 2
Blames RSA for Clashes *[AFP]* 2
Received by Italy's Andreotti 3
Meets Belgium's Tindemans 3
Arrives in Lisbon 3
Meets Portugal's Soares 3
Vice Minister Briefs Nujoma on Cairo Talks 3
FAR Report on Angola Fighting Given to UN 3
U.S. Suspension of Sugar Purchases Recalled 4
Further Reports on CPSU All-Union Conference 4
Gorbachev Closes Meeting 4
Official on Public Support 4
Rights Group Postpones Visit Until September 5

Haiti

Ministry of Information on New Commissions 5
Father Aristide on Church 'Silence' After Coup 5
Beating, Student Riot in Saint-Marc Reported 6
Technicians Depart; Leave Toxic Waste Behind 6

Trinidad and Tobago

Robinson Denies Favoring Tobago Development 7
Parliamentary Secretary in Food Ministry Fired 7
Prime Minister on Possible Tougher Drug Laws 7

MEXICO

Cardenas Campaign Coordinators Murdered *[AFP]* 9
'Political Terrorism' Deplored *[AFP]* 9
Petricioli on Restructuring of Foreign Debt 9
De la Madrid on Economic Policy, Elections 10
Urges Voter Participation 11
Salinas Ends Presidential Campaign 2 July *[AFP]* 11
Cardenas Urges Mobilization To Protect Vote *[EXCELSIOR 24 Jun]* 12
Editorial Predicts 'Valid' Election Results *[EXCELSIOR 30 Jun]* 12
Impartiality of Opinion Polls Questioned *[UNOMASUNO 24 Jun]* 12
PRI Rejects U.S. Pressure on Morales' Case *[UNOMASUNO 30 Jun]* 13

CENTRAL AMERICA

Costa Rica

Arias on Diplomatic Offensive for Nicaragua *[AFP]* 15
Madrigal Deplores U.S. Downing of Iranian Plane *[ACAN]* 15

El Salvador

Blandon Announces Changes in High Command 15
Changes Listed *[DIARIO LATINO 1 Jul]* 16
PDC Ratifies Chavez Mena as Candidate *[ACAN]* 17

Guatemala

Government 'Regrets' Persian Gulf 'Accident' *[ACAN]* 17

Honduras

Azcona 'Dismayed' by U.S. Downing of Plane *[ACAN]* 18

Nicaragua

Ortega Says Downing of Iranian Plane 'Genocide' 18
Dissident RN Commanders Demand Bermudez' Ouster *[ACAN]* 18
RN Offices Closed; Rumors of Internal Struggle *[ACAN]* 19
Government Devalues Cordoba by 25 Percent *[ACAN]* 19

Panama

Government Communique Condemns Plane Downing *[CRITICA 5 Jul]* 19
Solis on Shultz Tour, 'Invasion,' War Cabinet *[DPA]* 20
Deputy Foreign Minister Warns of U.S. Invasion *[Buenos Aires REUTER]* 20
CSS Ends Benefits for U.S. Government Employees *[LA ESTRELLA DE PANAMA 1 Jul]* 21
President Reagan Found Guilty in TANA Trial 21
Hearings Criticized 21

SOUTH AMERICA

Argentina

'Deep Consternation' Over Downing of Plane 22
'Great Unrest' in Army Over Candidate's Charges 22
Jaunarena Denies Tension 22
UCR Presidential Candidate on Victory 23
Hopeful Concedes Election 23
Justicialist Candidate Caffiero on Primaries 23
Remains of Soldiers Killed on Falklands Sought 24

Bolivia

Minister, COB Leader View Results of Strike 24
Officials: Groups Provoked Peasants in Tunari 24
Deputies Investigate 24
Official, Deputies on DEA Agent Departure *[DYN]* 25

Brazil

Iranian Plane Downing 'Regrettable Incident' 25
Foreign Minister Comments on Trade With PRC *[EFE]* 25
Central Bank Makes $1 Billion Debt Payment 25

Ministry Cuts Money for Air-to-Air Missile *[FOLHA DE SAO PAULO 1 Jul]* 26

Chile

Bishop Says Fraud 'Practically Impossible' 26
Yes Vote Campaigners 'Attacked' at Law School 27
Minister Comments on Marxist 'Threat' 27
Socialist International To Meet in Santiago *[TELAM]* 27
Results Viewed 28
Labor Group Announces New Executive Board 28

Colombia

President Speaks on Economy, Kidnapping 28
Minister 'May Be' Negotiating With M-19 *[EFE]* 31
M-19 Leader Pizarro on Gomez Kidnapping *[EFE]* 31
Names of Negotiating Team 32
M-19's Patino Comments *[EL SIGLO 23 Jun]* 32
ELN Kidnaps Two; One 'Apparently' U.S. Citizen *[San Jose]* 37
Recent ELN Activities 37

Paraguay

Taylor Drug Comment 'Setback' to Opposition *[PATRIA 4 Jul]* 38
Taylor Comments Welcomed *[PATRIA 2 Jul]* 38

Peru

Fisheries Minister Leon Tenders Resignation 39
Garcia Refuses Resignation 39

Uruguay

Sanguinetti Comments on Strikes, Budget 39
Labor Minister on 'Radical Union Sectors' 41

Venezuela

Foreign Minister Deplores Iranian Plane Downing 41
Nava on Contadora, Debt, Group of 8, Panama *[Mexico City UNOMASUNO 29 Jun]* 42
Comments on Debt Problem *[UNOMASUNO 30 Jun]* 42

Daily Report
Latin America

FBIS-LAT-88-129

CONTENTS

6 July 1988

CARIBBEAN

Cuba

Government Condemns Downing of Iranian Plane 1
U.S. 'Unjustifiable Massacre' 1
Castro Attends Construction Workers Congress 1
Cost, Production Comments 1
Views Role of Construction 2
Rodriguez Departs for CEMA Meeting in Prague 3
Address at Meeting Reported 3
Malmierca, Cambodian Deputy Minister Meet 3
'Manipulation' by Western Mass Media Viewed 3
People's Council Formed in Havana Province 4
PCC's Balaguer Opens Seminar on Che's Ideas 4
Che Cited on Role of Youth 4
Seminar Concludes 4
Minister Notes Problems in Transport Sector 5
Students Reintegrated Into Educational System 5
New Form of AIDS Virus Penetration Described 5

Caricom

Ninth Heads of Government Summit Opens 5
Vere Bird Speaks 5
Blaize, Esquivel Speak 6
Haiti, Drugs, Trade Discussed 6
Finance Ministers End Talks, View Export Bank 8

Inter-Caribbean Affairs

CANA Chairman on Services, Advisory Board 8

Bahamas

Attorney General Recovering From Heart Surgery 9

Grenada

Future of Only TV Station Reportedly in Doubt 9

Haiti

Demonstration in Support of Namphy Planned 10
More on Demonstrations 10

Trinidad and Tobago

NAR To Study Charges of Discrimination by IMF 10
Third Inquiry Into Army Camp Explosion Begins 10

MEXICO

Salinas Condemns Murder of Cardenas Workers 11
Norwegian Oil Minister Holds Talks With Hiriart 11
Briefs 11
World Bank Loans 11
Marijuana Plantation Destruction 11

CENTRAL AMERICA

Belize

Human Rights Group Says Violations Increase 12

El Salvador

Ungo on Country's 'Divisions,' Length of War 12
Rebel Sabotage, Strike Cause Power Outages *[AFP]* 13
Rosa Chavez on Situation *[DPA]* 13
U.S. Downing of Iranian Plane Condemned *[Venceremos]* 13

Guatemala

Cerezo Denies Cabinet Change Possibilities 14
Cerezo, Gramajo Make Army Day Statements *[Buenos Aires REUTER]* 14
Officer Suspended for Coup Attempt Role *[EL GRAFICO 2 Jul]* 15
Shultz Trip, U.S. Policy, Cerezo Stand Viewed *[EL GRAFICO 30 Jun]* 15

Honduras

Azcona on Shultz Aid Promise, Antidrug Efforts 15
Foreign Minister: Nicaragua 'Threat' to C.A. 16

Nicaragua

Communique on Extension of Cease-Fire, Talks *[BARRICADA 1 Jul]* 16
Obando y Bravo Comments on Talks, Cease-Fire 17
Demands Talks Resumption *[AFP]* 17
RN Spokesman on Cease-Fire, Ortega Remarks 17
Government Says Shultz Remarks 'Disrespectful' 18
Trip Motives Viewed 19
RN's Calero Comments on Meeting With Shultz 19
Arce Comments on Economy, Effects of War *[EFE]* 20
Comparison of H. Ortega on Military Defenses 20
Reports on Government, Contra Clashes 21
27-28 June Attacks *[BARRICADA 30 Jun]* 21
28-29 June Actions 21
RN on 9-10 June Clashes *[LA PRENSA 30 Jun]* 21
Contra Attacks, U.S. Actions in June Reported 22

Panama

Government Withdraws From PCC Board Meeting 22
Foreign Ministry Communique 22
Ritter Comments 23
Western Diplomats Cited 26
Noriega Says Money Laundering To Continue 27
Noriega on U.S. Policy, Economy, Elections *[Madrid ABC 29 Jun]* 27
Benefits to U.S. Government Employees Resume *[LA ESTRELLA DE PANAMA 5 Jul]* 28

SOUTH AMERICA

Argentina

Korean President Sends Message to Alfonsin 29
Binational Commission Meeting With Chile Ends 29
Caputo on Argentine Solidarity With Peru 29
Navy Chief Comments on Upcoming Visit to U.S. 30
Air Force Deputy Chief Meets With Commanders 31
Army Chief of Staff Addresses Retiring Colonels 31
Further Request for Extradition of Officers 32
Protest Against Nuclear Waste Processing Plant 32

Bolivia

Ministry Warns Coca Farmers on Disruptions 32
Substitution Plans Discussed 32
Economic Team To Join Paris Creditors Meeting 32
Interest Forgiveness Plan *[EFE]* 33
Bedregal on Upcoming Visit of Brazilian 33

Brazil

Sarney Deplores on Iranian Plane Downing 33
Reportage on Sarney's PRC Visit *[cross-reference]* 33
Constitution Draft Submitted to Guimaraes 33
South African Seeks Political Asylum *[EFE]* 34

Chile

Education Minister Denies Pressuring Teachers 34
Bio Bio University, Students Reach Agreement 34
4 Bombs Cause 'Serious' Damage in Santiago 34
MIR Takes Credit *[EFE]* 34
'Common Criminals' Steal Explosives 35
Briefs 35
Yes Vote Movement Created 35

Colombia

Minister Gaviria on Efforts To Free Gomez 35
Media To Limit Reportage of Terrorist Acts 35
'Subversive Group' Massacres Peasants in Meta 36

Paraguay

Currency Devaluation, Rate Hikes Authorized 36
Unions Demand Release of Imprisoned Leader *[EL DIARIO 3 Jul]* 36

Peru

Garcia on PRI, Admiration of Shining Path *[EFE]* 36
Clarifies Remarks 37
18 Rebels, 13 Soldiers Die in Clashes *[EFE]* 38
MRTA Terrorist Killed, One Injured in Lima *[EFE]* 38
MRTA Take Credit for Attacks *[EFE]* 39
Republican Guard Captain Killed in Attack 39
Bus Drivers' Union Leader Comments on Strike 39

Uruguay

Government Regrets Downing of Iranian Plane 40
Foreign Minister Comments 40
Deputy Italian Foreign Minister Meets President 40

Suriname

Shankar on Cooperation Possibilities With U.S. 40
New Ministry, Other Government Changes Made 41
NDP Chairman on Need for Political Democracy 41
Government Spokesman on Rebel Clash, Killings 41
Government Talks With Bush Negro Chiefs Slated 41
EC Funds To Help Improve River Transportation 41

Daily Report
Latin America

FBIS-LAT-88-130 *7 July 1988*

CONTENTS

SPECIAL REPORT

World Reaction to Iranian Airbus Downing Sampled 1

CARIBBEAN

Cuba

Construction Workers Union Congress Continues 14
Castro Talks With Worker 14
Castro on Job Changing 15
Nicaraguan Speaks 15
Main Report Approved 15
Castro on Labor Drain 16
Castro on Development 16
Castro Praises Work 16
Raul Castro Marks Anniversary of FAR Academy 17
Risquet: High-Level Meeting on Africa Possible 17
Returns From Tour 17
Further on 'Manipulation' of Information 17
National Bank Reports Debt, Trade Figures 18
Malmierca on Sugar Donation to Palestinians 18

Dominica

Creation of United Workers Party Announced 18

MEXICO

Reportage on 6 July National Elections 19
'Incidents' Reported 19
Official: Voting Normal 19
2 Killed in Incidents *[EFE]* 20
Opposition Contests Results 20
CFE Head on Fraud Charges 20
PRI Proclaims Victory 21
Salinas Cancels News Conference *[DPA]* 22

CENTRAL AMERICA

El Salvador

Castillo on Legality of Duarte Resuming Power *[ACAN]* 23
Witness: U.S. Embassy Security Head Shot Romero 23

Guatemala

Cerezo Comments on Recent Economic Measures *[PRENSA LIBRE 4 Jul]* 24
Demonstrators Protest Policy 24

Honduras

Army Rotations, Transfers Announced *[TIEMPO 6 Jul]* 24
Government 'Regrets' Iranian Airline Downing *[TIEMPO 6 Jul]* 25

Nicaragua

Tinoco Protest Note to Shultz on Contra Attacks 25
'Sabotage Plan' Uncovered in Chontales 25

Panama

Solis Calls Assembly Session on Electoral Code *[LA ESTRELLA DE PANAMA 4 Jul]* 25
Ritter on Group of 8 Meeting, Shultz Visit 26
PRD Protests Downing of Iranian Airbus *[LA ESTRELLA DE PANAMA 6 Jul]* 26
Rognoni: Exports Normal, Economy Recovering 27
Industrialist on 'Catastrophic Economic Crisis' 27
Health Minister: $200 Million Loss Due to U.S. 27
Banking Commission Eases Account Restrictions 28
Assembly President on Facing Situation *[LA REPUBLICA 30 Jun]* 28
CIA, Opposition Seek Nation's Destabilization 28
'Torrijists Dissidents' Part of New U.S. Tactic *[CRITICA 4 Jul]* 28
Dialogue Needed To Achieve Reconstruction *[LA ESTRELLA DE PANAMA 3 Jul]* 29
Torrijos Adviser, Jurist on Current Situation 29
PDC Reports Arrest of Party Province Leader *[DPA]* 30
FDP Detains U.S. Soldiers, Military Vehicle *[MATUTINO 6 Jul]* 30
Government Sets Up Canal Area Checkpoints *[MATUTINO 4 Jul]* 31
Students Demonstrate Against Government 31
Protest U.S. Parades 31
Dignity Battalions' 4 July Ceremony Postponed 31

SOUTH AMERICA

Argentina

Iranian Envoy Comments on Downing of Plane 32
Parties To Protest Incident 32
Army Leadership Discussing Angeloz' Criticism 32
Navy Chief of Staff on Military Issues *[BUENOS AIRES HERALD 6 Jul]* 32
Peru Embassy on 'Twisted' Garcia Speech Report 33

Bolivia

Foreign Ministry Condemns Iran Plane Downing 34
Chamber of Deputies Approves Coca Law 34
Coca Growers March To Protest Tunari Incident 35

Brazil

Iranian Envoy Warns of Possible Attack *[EFE]* 35
Nobrega Seeks Support for Economic Program *[FOLHA DE SAO PAULO 5 Jul]* 35
Japan Pledges Support 36
Chaves To Resign Ministry, Announce Candidacy *[O ESTADO DE SAO PAULO 5 Jul]* 37

Chile

Merino Rejects Entry of Plebiscite Observers 37
Episcopal Conference Official on Plebiscite 37
Ex-Foreign Minister Valdez Criticizes Regime *[EFE]* 37
PCCh Document on Party Stand on Future of CUT *[EL MERCURIO 28 Jun]* 38
Judge Looks at Ties Between PCCh, FPMR *[EL MERCURIO 27 Jun]* 39
Socialist Party Official Secretly Returns *[EL MERCURIO 28 Jun]* 39

Colombia

M-19 Leader, Former Minister Meet in Panama 40
M-19 on Government Stand *[ACAN]* 40
New Right-Wing Movement: Massacre 'Mistake' 40

Uruguay

Senate Statement on Downing of Iranian Plane 41

Daily Report
Latin America

FBIS-LAT-88-131 *8 July 1988*

CONTENTS

CARIBBEAN

Cuba

Castro Attends 3d Havana Enterprise Meeting 1
Risquet Cited on Angola-Namibia Peace Talks *[Lisbon]* 1
Melendez Speaks at Harare Nonaligned Meeting 2

Caricom

Further Reports on Heads of Government Summit 2
Trade Proposals Endorsed 3
Sandiford on Export Bank 4
U.S. Drug Policies Condemned 4
No Consensus on Haiti's Status 5
Dominica's Charles on Haiti 5

Haiti

Government in Exile Said Under Discussion 6

MEXICO

Federal Electoral Commission Meeting Postponed 7
CFE's Bartlett on Delays 7
Defense Secretary Reports Voting Peaceful 7
Presidential Candidates Claim Election Victory 7
PRI's Salinas 7
Cardenas of FDN-PMS *[DPA]* 8
PAN's Clouthier *[EFE]* 8
CFE Statement Says No Election Results Issued 9

CENTRAL AMERICA

El Salvador

Government Submits Bill on Emergencies 10
Reaction to Draft Bill 10

Guatemala

URNG Reiterates Willingness for Dialogue *[EL GRAFICO 6 Jul]* 11

Honduras

Military Spokesman Denies Armed Forces Purge 11

Nicaragua

Ortega on Economy, Reagan 'Terrorist Policies' 12
San Jose Radio on Possible RN-Ortega Meeting *[Radio Impacto]* 15
Contras Kill Two EPS Reservists in San Gabriel 15
Intelligence Chief on Shultz, Contra Stations 15
Appeal Planned in Secret Documents Case *[LA PRENSA 30 Jun]* 16
Opposition 'Has Nothing To Celebrate' *[BARRICADA 6 Jul]* 17
Government To Subsidize Workers' Basic Products 17

Panama

FDP Spokesman Views Relations With U.S. Forces *[Buenos Aires REUTER]* 17
PDC Reportedly Plans Subversive Activities 18
Solis Condolences on Death of Delvalle's Mother *[LA ESTRELLA DE PANAMA 7 Jul]* 18

SOUTH AMERICA

Argentina

Alfonsin Signs Secret Decree; Army Benefits *[BUENOS AIRES HERALD 7 Jul]* 19
President Alfonsin Addresses Stock Exchange 20
Alfonsin Meets Italian Vice Foreign Minister 20
Seven Officers Sent Into Retirement *[LA PRENSA 7 Jul]* 21
ROK Envoy on Relations, Immigration, Olympics 21
Caputo Meets Beninese Ministerial Delegation 21
Charges Filed Against Candidate Angeloz 21
Party Leader Officially Launches Campaign 22
Public Works Minister Attacked by 'Mobsters' *[BUENOS AIRES HERALD 6 Jul]* 22

Bolivia

Minister Announces Program for Coca Regions 22
COB Coca Adviser Warns Against New Bill 22
Law Harmful to Production 23

Brazil

Texaco Abandons Exploitation of Oil Well *[VEJA 6 Jul]* 23
Government To Grant Amnesty to South African 23

Chile

Minister Calls on Opposition To Consider Ideals *[EFE]* 23
European Parliament Decision Called 'Grotesque' 24
Official Comments on Decision 24
Military Judge on Objectives of Rebel Groups *[EL MERCURIO 27 Jun]* 25
Labor Leader Questions Motives Behind CUT 25
Police Detain FPMR Leader Escobar 25
Nine Held in Attempted Bombing; Three Injured 26
Bomb Damages Municipal Building in Santiago 26

Colombia

Government Willing To Talk With M-19 26
Senator Discloses Proposals 26
Businessmen Reject Dialogue *[AFP]* 27
ELN Attacks Pipeline Near Sogamoso 27

Venezuela

President Delivers Independence Day Speech 27
New Candidate Registers for Elections 29
Minister Denies Guerrillas Regrouping 29

Daily Report
Latin America

FBIS-LAT-88-132 *11 July 1988*

CONTENTS

CARIBBEAN

Cuba

Risquet Views Angolan Military Situation *[Paris LE FIGARO 2-3 Jul]* 1
Angolans Arrive To Discuss Quadripartite Talks 1
Joint Delegation Begins Work 1
Tanzania's Warioba Receives Group, Views Talks 1
Condolence Book To Open at Iranian Embassy 2
Economic Cooperation Talks Held With GDR 2
Technicians Comprise Reserve Work Force 2
Matanzas Job Absenteeism Up in 1988 2
Public Health Ministry on Medical Certificates 2
Further on Certificates 2
Decision Viewed 3
New Identification Cards for Electrical Workers 3
'Abnormal' Work Conditions, Compensation Viewed 3
Need for Housing, Allocation Issue Viewed 4

Haiti

Namphy Address on New 'Democratic Charter' 4
Demonstration, Pro-Namphy Slogans in Miragoane 6
Rally Said Unsuccessful 6
Error in Baccalaureate Exam Agreement Discussed 7
Student Federation Proposal 7
Namphy Has Mistake Corrected 8
Ministry Criticized 8
Test Preparations Lagging 8

MEXICO

Election Disputed; Official Results Delayed 9
PRI Suffers 'Regional Defeat' *[DPA]* 9
Opposition Charges PRI Fraud *[AFP]* 9
PRI Claims Salinas Lead *[DPA]* 9
PRI Message on 'Victory' 10
More on 'Battle of Numbers' *[AFP]* 10
Protest Mobilizations Begin *[EFE]* 11
Further on Demonstrations *[DPA]* 11
PAN Considering Referendum Call *[EFE]* 12
Papers on Salinas Victory 12
Cardenas Claims Victory *[AFP]* 12
CFE Spokesman: Delay Possible *[EFE]* 13
PRI, PAN Clash in Juarez *[EFE]* 13
CFE Begins Work *[AFP]* 13
Partial Results Revealed 13
FDN Wins Senate Seats *[AFP]* 14
PRI 'Source' on Losses *[DPA]* 14
CFE Reports Salinas Leading *[AFP]* 14
Salinas Views Elections, Democratization Goal *[Madrid YA 3 Jul]* 14

CENTRAL AMERICA

Costa Rica

Arias on Economic Plans, Cuba's Role in Area *[Mexico City EXCELSIOR 4 Jul]* 16

Madrigal on Ministers Meeting With Shultz 16
Civil Guards Arrest 30 Contras in June 17
2 Nicaraguan Soldiers Desert, Seek Asylum 17
Briefs 17
1988 Trade Deficit Figures 17

El Salvador

Venceremos on Duarte Return to Country 17

Guatemala

Students Set Up Barricades in Guatemala City *[ACAN]* 18
Rebels Kill Air Force Pilot in Huehuetenango *[DPA]* 18
Guerrilla Commander Deserts; Army Finds Cache *[EL GRAFICO 7 Jul]* 18

Honduras

Clashes Between Contra Groups Near Border *[LA TRIBUNA 8 Jul]* 19
Suazo Cordova Cleared of Embezzlement Charges *[EL HERALDO 7 Jul]* 19

Nicaragua

Riot Follows Opposition March in Nandaime 19
Further on Riot 20
Government on Events 20
Ortega Justifies Arrests *[DPA]* 20
President Ortega on Economy, Culture 21
On Influence of Media 23
Defense Ministry Reports on Contra Attacks 23
EPS Major Killed 23
Civilians Killed 23
8 Contras Killed 23
4 Contras Die 7 July 24
H. Ortega Letter to OAS Head, Obando on Contras 24

Panama

Station Calls Solis; Resignation Rumors Denied 25
Officials' Denials Cited 25
Delvalle Does Not Attend Mother's Funeral 25
Ritter on U.S. Relations, Congressional Visit 25
Church Willingness to Mediate Crisis Reiterated 26

SOUTH AMERICA

Argentina

Alfonsin Addresses Armed Forces on Anniversary 27
Defense Minister Speaks 28
Officers Circle Sees Impending 'Decadence' *[LA PRENSA 7 Jul]* 29
Menem Wins Justicialist Party Elections 29
Cafiero Expresses Support 30
Election Returns Released 30
Iranian Envoy Organizes 'Solidarity' March 30
Province Workers Reject U.S. Envoy's Visit 30
Five Civilians Sentenced for Airport Seizure 30
Former Communist Party Leader Joins New Trend 31

Bolivia

Vice President Lauds New Narcotics Law 31
Details of Law *[EFE]* 31
Minister Critizes COB for Coca Law Stance 32
Report Blames Government, DEA in Tunari Events 32

Brazil

Finance Minister on Payment of Debt Principal *[Buenos Aires DYN]* 33
Reportage on Finance Minister's Visit to Japan 33
Takeshita Pledges Debt Aid *[Tokyo KYODO]* 33
Nobrega Meets Businessmen *[O GLOBO 7 Jul]* 33
Reviews Loan, Negotiations *[Tokyo KYODO]* 34
Senator Says Nobrega Lied About Debt Agreement *[O ESTADO DE SAO PAULO 7 Jul]* 34
PMDB Seeks To Maintain Constitution Draft Text 35
Details of Satellite With PRC Disclosed *[FOLHA DE SAO PAULO 6 Jul]* 35
Pipeline To Aid Integration With Bolivia 36

Chile

Pinochet Comments on Anniversary, Other Issues 36
Warns Against Overconfidence 38
Criticizes Court Ruling *[EFE]* 38
Pinochet Speaks on Improving Ties With Peru 38
Report of Matthei's Remarks Causes 'Surprise' *[EFE]* 39
Matthei Denies Report 39
Debt Agreement Almost Closed in New York 39
Socialist Lagos Vows Defeat of Pinochet *[EFE]* 40
Communist Leader Says Opposition 'Disconnected' 40
Top Communist Leader Allowed To Return *[TELAM]* 40
Exiled Socialist Reportedly Returned Last Year *[Moscow]* 40
Ministry Draft Bill Modifies Election Laws 40
USSR Asked To Stop 'Negative' Broadcasting 41
Bombs Damage Building, Suspend Railroad Traffic 41
Shooting at Railroad Leaves 2 Wounded 41

Colombia

Kidnappers Send Recent Gomez Photo to Paper 41
Parties Agree To Include Rebels in Dialogue 42
Government Names New Ambassador to Panama 42
Bomb Blacks Out 40 Percent of Bogota 42

Ecuador

Government Suspends Foreign Debt Talks *[AFP]* 42
Zavala Urges Reagan Trial on Plane Downing *[AFP]* 43
One Killed, Three Injured in Bus Fare Protests *[Buenos Aires REUTER]* 43

Peru

Garcia Receives Chilean Opposition Leader 43
Church Workers Suspected of Aiding Rebels *[DPA]* 43
Government Signs Trade Agreement With PRC 44
Navy Industry Building Nuclear Plant Parts 44

Uruguay

Electoral Court Annuls Referendum Signatures *[EFE]* 44
Tupamaros Member on Democracy, Plebiscite *[EFE]* 45
Spanish Deputies at Social Democracy Seminar *[EFE]* 45

Venezuela

5 Guerrillas Killed in Clash Near Guasdualitos 45

Daily Report
Latin America

FBIS-LAT-88-133 *12 July 1988*

CONTENTS

CARIBBEAN

Cuba

Raul Castro Receives USSR's Akhromeyev 1
Aldana Heads Delegation to Quadripartite Talks 1
Castro Closes Construction Workers Congress 1
Urges Avoiding Errors 2
Castro Presides at Havana Enterprises Meeting 2
Discusses Costs 3
Agriculture Production Viewed 4
On Costs, Earnings 4
Rodriguez Sees Lenart, Jakes in Prague 5
Presented Award by Jakes 5
ANPP Topics Announced at Press Conference 5
First People's Council Established in Holguin 5
Raul Castro Congratulates Workers for Roadwork 6
Polish Youths Begin Brigade Work in Havana 6

Caricom

Further on Caricom Heads of Government Meeting 6
Haiti's Suspension Urged 6
Officials: No Comment on Haiti 6
Meeting 'Bogged Down'; Ends 7

Inter-Caribbean Affairs

Seaga Reelected Democratic Union Chairman 7

Haiti

Demonstrations Held in Support of Namphy 7
Military in Demonstration 7
Soleil Comments on Lack of Human Rights 8

MEXICO

Opposition Contests Partial Election Results *[AFP]* 9
PAN's Clouthier Cited *[AFP]* 9
PRI Statement Claims Salinas Victory 9
PRI 'Cynicism,' 'Evidence' of Fraud Viewed *[EXCELSIOR 9 Jul]* 9
Opposition 'Civil Resistance' Plans Criticized *[UNOMASUNO 10 Jul]* 10
Capital Flight Related to Elections Reported *[EFE]* 11

CENTRAL AMERICA

El Salvador

President Duarte Returns to Country 11 July *[AFP]* 12
'To Resume' Presidency 12

Nicaragua

Government Orders Expulsion of U.S. Diplomats 12
D'Escoto Announcement 12
Ortega Comments 16

Government Orders Suspension of Media 16
Radio Catolica *[ACAN]* 16
Official Comments 16
LA PRENSA 17
Radio Corporacion 'Threatened' *[San Jose]* 18
Conservative Party Leader Arguello Arrested *[San Jose]* 18
Assembly President Nunez on Nandaime Incidents 18

SOUTH AMERICA

Argentina

Cape Verde Foreign Minister Begins Visit 20

Brazil

Details of Debt Financing Plan Agreement *[FOLHA DE SAO PAULO 10 Jul]* 20
Businessmen To Lobby Against Discrimination *[O GLOBO 10 Jul]* 21
Foreign Minister on PRC Nuclear Policy *[O GLOBO 7 Jul]* 21
Striking Rio Teachers Clash With Police 22

Chile

Pinochet on Plebiscite, PDC-Marxist Ties 22
Receives Youth Support 22
Group Asks for Designation of Plebiscite Date 23
Merino Downplays Request 23
Poll: Santiago Residents Support No Vote 23
Socialist Lagos Visits U.S.; Comments on Plans 24
Foreign Minister Opens L.A. Commerce Meeting 24
Six Bomb Attacks Reported in Santiago 24

Colombia

Delegation Leaves for Talks With M-19 *[AFP]* 24
President Barco Comments on Economy 25

Paraguay

Police Detain PLRA Leader Laino, 2 Others *[EL DIARIO 11 Jul]* 26

Peru

Prime Minister Announces Salary, Price Hikes 26
Union Ends Strike; Teachers Return To Work 27
Police, Shining Path Clash in Puno; One Killed *[EFE]* 27
Drug Traffickers Ambush Police Patrol, Kill 2 *[EFE]* 27
Company Manager Kidnapped Outside Plant 27
Bombs Damage Two Lima Schools; Eight Injured *[EFE]* 28

Suriname

Shankar Rejects Peace-Keeping Force Proposal 28
Shankar: Brunswijk Not Acting in Good Faith 28
Government Displeased With Aid Process 28
Caricom Extends Observer Status of Country 28
Police Transferred To Justice Ministry 28
Advisory Groups Formed; Plans Bureau Moves 29

Daily Report
Latin America

FBIS-LAT-88-134 *13 July 1988*

CONTENTS

INTER-AMERICAN AFFAIRS

Central American Presidents To Postpone Summit *[San Jose]* 1
Briefs 1
Agrarian Cooperative Meeting 1

CARIBBEAN

Cuba

USSR Armed Forces Staff Chief Continues Visit 2
Lays Wreath at Monument 2
Meets With Fidel Castro 2
Further on Castro at Havana Enterprise Meeting 2
Supply Problems, Norms Viewed 3
Economic Efficiency Discussed 6
Concern About Housing 7
House Swapping Discouraged 8
Minister on Economic Crime, Cadre Policy 9
Raul Castro Attends FAR School Graduation 9
Briefs 10
New Envoy From Iran 10

Bahamas

Attorney General Returns Following Surgery 10

Dominican Republic

Santiago Public Prosecutor Resigns, Replaced 10
Private Sector Allowed To Generate Electricity 10

Grenada

NNP Said Trying To Replace 'Ailing' Blaize 10

Haiti

Human Rights Lawyer Lafontant Joseph Murdered 11
CATH Reacts 11
Station Comments 12
PUCH's Theodore Criticizes Namphy Government 12

St Lucia

Government Removes Stamp Duty on Imports 13

MEXICO

De la Madrid Says Elections Mark New Phase 14
Electoral Commission Reports Partial Results 14
Presidential Election 14
Legislative Elections 14

Cardenas To Form Group; Says Ballots Destroyed *[AFP]* 15
Terrorist Attack on Greek Ship Condemned 15

CENTRAL AMERICA

Costa Rica

Madrigal: Nicaragua Expulsions 'Deplorable' *[ACAN]* 16
Money Laundering Cases Under Investigation *[LA REPUBLICA 3 Jul]* 16

El Salvador

Archbishop Defends Debate Against Detractors *[DPA]* 16
Ungo on Elections, FMLN Ties, U.S. Actions 17
100 Injured in Union Demonstration in Soyapango 17

Guatemala

Foreign Minister on Recent Events in Nicaragua 17
Coup Attempt Charges Against Officers Dismissed *[PRENSA LIBRE 9 Jul]* 18

Nicaragua

Ortega: OAS Should Resolve Tunnerman Expulsion 18
Further Comments 19
Reaction to Expulsions, Media Closing 19
Foreign Minister 19
Opposition, Obando *[ACAN]* 20
Marxist Deputy 21
RN's R. Ferrey *[San Jose]* 22
BARRICADA, EL NUEVO DIARIO on Nandaime 22
LA PRENSA Comments *[11 Jul]* 23
Arce Comments on 'Melton Plan,' Opposition 23
Vice President Ramirez on Peace Efforts *[Vienna NEUE AZ 8 Jul]* 25
No Evidence Against Bush *[Vienna KRONEN-ZEITUNG 9 Jul]* 25
Blames U.S. for Tension 25
CPDH Leader: Rights Violations Increasing *[LA PRENSA 11 Jul]* 25
Briefs 26
Agreement With Bulgaria 26

Panama

Delvalle Suffers 'Massive' Heart Attack *[LA REPUBLICA 12 Jul]* 26
New PRD President Duque Takes Office 26
Party Leadership Listed 28
Esquivel Views Political Situation, Elections 28
PDC's Arias Wants U.S. To Continue Measures 29
Regional PDC Leader Released; Claims Beaten 29
Authorities Expel REUTER Correspondent *[Buenos Aires REUTER]* 29
Government Grants Asylum to Ecuador's Bucaram 29
Noriega Meets African National Congress Group *[LA REPUBLICA 12 Jul]* 30
Southern Command General, U.S. Policy Viewed 30
Dignity Battalion Officials on Training 31
M-16 Rifles Handed Out 33
Rognoni on Economic Figures, Taiwan Investment 34
Business Survey on Economic Prospects, Jobs *[LA ESTRELLA DE PANAMA 7 Jul]* 34
Briefs 35
Free Zone Imports Decrease 35

SOUTH AMERICA

Argentina

Soviet Company To Dredge Bahia Blanca Port 36
Cordoba Signs Trade Agreement With Shanghai 36
Briefs 36
Agreement With Benin 36

Bolivia

Defense Minister Seeks Increased Budget *[EFE]* 36
Soviet Experts To Aid in Plant Construction 36

Brazil

Radio Nacional FM Sold to Private Sector 37
University To Join Marijuana Control Program *[O GLOBO 12 Jul]* 37

Chile

Adm Merino Announces March 1989 Retirement 37
Ministry on 'Regrettable' Gulf Incident *[EL MERCURIO 6 Jul]* 38
Poll on Views of Undecided in Plebiscite *[LA SEGUNDA 5 Jul]* 38
Vanguard Party Leader on Plebiscite Poll 38
Opposition Party Leaders Postpone Meeting 38
FPMR: No Vote Victory Will Not Stop Violence *[EL MERCURIO 7 Jul]* 39
Radical Democratic Party Selects Executive Board *[EL MERCURIO 3 Jul]* 40
200 Arrested in Santiago Violence; 3 Injured 40
Two Foreigners Arrested 41
Country Hosts International Artists Meeting *[EFE]* 41

Colombia

M-19 To Announce 'Possible' Gomez Release Date *[AFP]* 41
Army, Guerrillas Clash; 15 Soldiers Dead *[AFP]* 41
Medellin Cartel Kills 5 'Cali Cartel' Members 42

Paraguay

Foreign, Health Ministers Return From Trips *[El DIARIO 12 Jul]* 42

Peru

Americas Watch Reports Military Interference *[EFE]* 42
Bus Drivers Call for 48-Hour Stoppage *[EFE]* 43
Police Shot in Holdup; Terrorist Links Viewed *[EFE]* 43

Uruguay

Zervino on Trip to Japan, Hong Kong, U.S. 43

Suriname

SELA Official Meets With Shankar, Sedoc 44

Daily Report
Latin America

FBIS-LAT-88-135 *14 July 1988*

CONTENTS

CARIBBEAN

Cuba

4-Way Talks End in New York; Communique Issued 1
Castro Closes Third Havana Enterprise Meeting 1
Cement Production Discussed 1
Meeting's 'Historic Aspect' 1
Urges Improving Management 2
More on Costs 2
Nature of Investments Viewed 3
Further Concluding Remarks 4
Nation Bank Head on Foreign Currency Rules 4
Further on Measures 5
ANAP President Comments on 'New Structure' 6
Economic Losses at Construction Site Discussed 6
Risquet in Zimbabwe for Cooperation Talks 7
Trade Talks With Uganda Held in Kampala 7
Preventive Measures Against AIDS Urged 7

Barbados

Two Sugar Industry Factories To Be Closed 7

Dominica

Prime Minister Charles Presents Budget 8

Haiti

Commerce Ministry on Venezuelan Oil Products 8

Jamaica

PNP Regrets Caricom Lack of Action on Haiti 8

St Vincent and the Grenadines

Prime Minister Announces 1988-89 Budget 9

MEXICO

Final CFE Results Give Salinas Victory 11
PRI Legislative Majorities *[EFE]* 11
Government Reports Surplus in Trade Balance *[EL DIA 8 Jul]* 11
Regional Satellite Information Exchange Planned *[EL NACIONAL 11 Jul]* 11
Government Authorizes Extradition to U.S. 12
Briefs 12
1988 Drug Fight Statistics 12
PRC Trade Relations Increase 12

CENTRAL AMERICA

Costa Rica

Arias Regrets Recent Developments in Nicaragua 13

Guatemala

Foreign Minister on Ties With Egypt, Mideast *[Cairo AL-JUMHURIYAH 11 Jul]* 13

Honduras

Government Minister on U.S.-Nicaragua Conflict 14

Nicaragua

Ortega on Government Decisions, U.S. Actions 14
Tunnerman Comments on Expulsion Order 14
Obando on Media Closures, Expulsions, Fighting 16
U.S. Envoys' Expulsion 'Should Surprise No One' *[BARRICADA 12 Jul]* 17
LA PRENSA Says Closure 'Barbaric Decision' 17
Nandaime Events Result of 'Political Revenge' 18
CDN Leaders Sentenced for Nandaime Disturbances *[ACAN]* 18
CDN Secretary General Guevara Mena Arrested 19
Government Expropriates San Antonio Sugar Mill 19
Defense Ministry on Contra, EPS Actions *[BARRICADA 13 Jul]* 19

Panama

Ritter on M-19 Talks, Bucaram Asylum Request 20
U.S. 'Aggressions' Reported to UN Council 20
Opposition Leaders on Political Differences 20
Molirena Leader on Elections, Opposition Unity 21

SOUTH AMERICA

Argentina

Falklands Trials To Focus on Armed Forces Role *[BUENOS AIRES HERALD 12 Jul]* 22
Justicialist Candidate Menem Comments on Issues 22
Party Politics, U.S. Ties 22
Iranian Aircraft Downing 22
Final Results of Justicialist Elections 23
Alfonsin Receives Cape Verde Foreign Minister 23
Police Break Cocaine Trafficking Ring 23

Bolivia

Government Unable To Pay Principal of Debt *[EFE]* 23

Brazil

Sarney Announces New Oil Finding in Parana 23

Chile

Government Forbids Entry of FRG Deputy *[EFE]* 24
FPMR Blows Up Tower; Leaves Booby Trap 24
Attacks in Santiago, Valparaiso Reported 24
Authorities Still Holding 130 11 July Rioters 24

Colombia

M-19 Leaders on Panama Meeting, Gomez' Release *[Panama City]* 24
Samudio: No Dialogue While Killings Continue 25

Paraguay

JRF Condemns Political Leaders' Arrest *[EL DIARIO 13 Jul]* 26
Rally Seeks Release *[HOY 13 Jul]* 26
Laino, Others Released *[ULTIMA HORA 13 Jul]* 26
Foreign Minister Discusses Asian Trip *[EL DIARIO 13 Jul]* 26
Spanish Deputy Comments on Political Situation *[El DIARIO 13 Jul]* 27

Peru

Bus Service Resumes After Work Stoppage 27

Uruguay

Barrios on Falklands, Trade With Argentina *[Buenos Aires TELAM]* 27
Supreme Soviet Official's Visit Announced 28
Utility Rates, Public Servant Salaries Raised 28
Sanguinetti Creates Drug Control Agency 28

Suriname

SELA Official on Regional Relations 28

Daily Report
Latin America

FBIS-LAT-88-136 *15 July 1988*

CONTENTS

INTER-AMERICAN AFFAIRS

SELA Leader Urges Regional Integration *[CANA]* 1

CARIBBEAN

Cuba

Further Assessment of Quadripartite Talks 2
Chester Crocker Cited 2
Spokesman: Talks 'Positive' 2
Further on Visit by USSR's Akhromeyev 2
Tours FAR School 2
Visits Central Army Units 2
Cambodia's Heng Samrin To Pay Official Visit 2
ANPP Official Receives Brazilian Delegation 2
Factory Director on Toothpaste Problem 3
Penalties for Food Price Violations Stiffened 5
Insurance Compensation for Agriculture Planned 5
Labor Accidents Up in Matanzas Health Sector 5

Inter-Caribbean Affairs

Regional Rights Group on Haitian's Murder 5

Dominican Republic

Workers Join Government Agronomists in Strike 6

Haiti

Reaction to Murder of Lafontant Joseph 6
Justice Ministry 6
Rights Groups, Manigat 6
Political Groups 8
CATH/CLAT 8
Catholic Church Groups on Coup, Joseph's Death 9
Namphy Decree Abolishes Death Penalty 10

Jamaica

Seaga Comments on Caricom's Position on Haiti 10

Trinidad and Tobago

MAR Dissidents React to Disciplinary Charges 11

MEXICO

Salinas Promises 'Democratic Changes' 12
Salinas Discusses Pemex Development Goals 12

CENTRAL AMERICA

El Salvador

ARENA Leader Criticizes Peace Plan, Government 13
FMLN Announces Transport Stoppage, Sabotage *[Venceremos]* 13
Armed Forces Prepare 13
Army Suffers 26 Casualties; FMLN Causes Outage 14
FMLN Condemns 12 Jul Soyapango 'Repression' *[Venceremos]* 14

Honduras

Youth Leader Accused of Spying for Nicaragua 14

Nicaragua

Ortega Comments on Possible U.S. Steps 15
Tunnermann OAS Speech on U.S. Expulsion Order 15
J. Wheelock on Expulsion 19
Expelled U.S. Diplomats 'CIA Officers' 19
D'Escoto Protest to Shultz on Truck Ambush 20
Defense Ministry Reports Contra Actions 20

Panama

Madrigal on 'Private' Visit; Meets Ritter 20

SOUTH AMERICA

Argentina

Naval Exercise With Chile; First Since 1978 21
UN Special Envoy on Meeting With Alfonsin 21
Alfonsin Predicts Reduction in Utility Rates 21
Court Orders Release of Martinez de Hoz 21
Soviet Deputy Ulyanov on CPSU Conference *[CLARIN 14 Jul]* 22
Technician on Security at Cordoba Nuclear Site 22
Police Seize Ammunition, Military Uniform 22

Bolivia

ADN Proclaims Banzer Presidential Candidate *[EL DIARIO 2 Jul]* 23
Planning Minister To Run for President 23
Comments on Financial Aid 23
Finance Minister on Foreign Debt Repurchase *[EL DIARIO 11 Jul]* 24
Senate Approves Controlled Substances Bill 24
Study on Cocaine Production, Sales Outlined *[PRESENCIA 4 Jul]* 24
Oil Sales 47.6 Percent of Treasury Revenues *[PRESENCIA 30 Jun]* 25

Brazil

Finance Minister Rejects New Price Freeze 26
Quadros on 'Acceptable' Military Intervention *[FOLHA DE SAO PAULO 13 Jul]* 26
Communications Minister Dismisses Strikers 26

Chile

Plebiscite Candidacy Regulations Approved 26
Further on Regulations 27
Police Chief: Communists Support Demonstrators 27

Colombia

Delegations in Panama Call for 29 Jul 'Summit' *[Panama City TV]* 27
Briefs 28
Oil Pipeline Losses 28

Peru

State of Emergency Extended in Lima, Cities 28
Town Official Murdered in Ica Department *[EFE]* 28
Government Condemns Occupation of Namibia 28

Daily Report
Latin America

FBIS-LAT-88-137 *18 July 1988*

CONTENTS

CARIBBEAN

Cuba

Castro Presides at PCC Central Committee Plenum 1
Further on Plenum 1
Angolan Situation Reported 1
Various Reports Presented 1
Plenum Closing Reported 2
R. Castro Attends Reception Hosted by Akhromeyev 2
Risquet Meets With Zimbabwe's Mugabe 3
Attends Dinner for UK's Kinnock 3
Perez de Cuellar, Aldana Discuss Four-Way Talks 3
Cape Verde Official Holds Talks at ANPP 3
People's Council Created in Sancti Spiritus 3

Dominican Republic

Minister on Contra Meeting in Santo Domingo *[Buenos Aires REUTER]* 3

Haiti

Decentralized Project Coordination Agency Formed 4
New, Locally Financed Business To Open 15 Jul 5
Further on Factory 5
Dessalines Sugar Mill Closes; Problems Noted 5

Trinidad and Tobago

Amendment to Export Processing Zone Bill Fails 6

MEXICO

PRI Issues Communique on Election Results 7
Further on Communique 7
Cardenas Followers Rally in Mexico City 7

CENTRAL AMERICA

Honduras

5 U.S. Soldiers Wounded in San Pedro Sula *[AFP]* 8
Further on Attack 8

Nicaragua

Ortega on U.S. Relations, Sugar Mill Closing 8
Foreign Minister on Tunnermann Expulsion 10
Tunnermann Confirms Departure From U.S. 15
Arrives in Mexico *[Mexico City]* 16
Comments in Managua 16
Authorities Suspend 'El Despertar' Newscast 17

Panama

Solis on Resignation, M-19 Meeting, Economy 17
On M-19 Talks, Dialogue 18

SOUTH AMERICA

Argentina

Accord With FRG Calls for Debt Refinancing 19
Peronist Leaders Menem, Cafiero Pledge Unity *[BUENOS AIRES HERALD 15 Jul]* 19

Former Army Chief of Staff Arrested, Sentenced 17
Leftists Rally; Call for Civil Disobedience *[BUENOS AIRES HERALD 17 Jul]* 19
Police Seize 256 Kg of Cocaine; Three Detained 20
More on Drug Investigation 20
Civilian Airline Flights Canceled by Strike 21

Bolivia

Brazilian Official on Pipeline, Relations 21
Meets With President 21
Estenssoro Receives Costa Rican Foreign Minister 21
Bedregal Meets Nieto 22
Joint Ventures To Replace Coca Crop Reported 22
PRC Delegation Studying Water Systems *[PRESENCIA 10 Jul]* 22
Weapons Cache Discovered in Chapare Region 22

Brazil

Sarney Advised Primarily by Military Officers *[VEJA 13 Jul]* 23
Nobrega Calls This 'Worst Time' in History *[O GLOBO 15 Jul]* 23
Proposal To Inspect Falklands Planned 23
Military Manufacturer Faces Economic Problems *[FOLHA DE SAO PAULO 16 Jul]* 24
Budget Cuts To Halt Missile Development *[FOLHA DE SAO PAULO 16 Jul]* 24
Briefs 24
Trade Balance Reported 24

Chile

Pinochet on Communism, USSR, Successor 24
Lagos, Abrams Meeting Said To Cause Tension 25
Lagos Claims Embassy Biased 25
Union Groups To Urge Ouster of U.S. Envoy 25
Stange Declines Comment on Vote for Pinochet 26
Joint Sea Exercises With Argentina Confirmed 26
Over Six Million People Registered To Vote 26

Colombia

Government Reportedly Welcomes M-19 Agreement *[EFE]* 26
M-19 Sends Message to Barco on Gomez Release *[AFP]* 26
Members Subject To Arrest 27
Rebels Reportedly Kill 12 in Caldas, Antioquia *[AFP]* 27
Rebel Group Kills 2 Policemen in Cauca 27

Paraguay

Police Detain Spanish Priest, Student Leader *[ULTIMA HORA 16 Jul]* 27
Police Cordon Prevents Bank Workers Meeting *[ULTIMA HORA 16 Jul]* 28
MDP Supporters March To Celebrate Anniversary *[HOY 16 Jul]* 28
Briefs 28
British Trade Mission Visit 28

Peru

Government Sells Embassy in Japan, Land in U.S. 28
Moscow City Official Feted by Lima Mayor 28
Fisheries Minister on Pacts, Soviet's Visit 28
Reportage on Rebel-Government Clashes, Attacks 29
6 Guerrillas Killed *[EFE]* 29
Policeman Dies in Lima *[EFE]* 29
APRA Offices Attacked *[EFE]* 29
Briefs 30
EEC Development Aid 30

Daily Report
Latin America

FBIS-LAT-88-138 *19 July 1988*

CONTENTS

INTER-AMERICAN AFFAIRS

C.A. Presidential Summit Reportedly Postponed *[Panama City ACAN]* 1
Inter-American Telecommunications Meeting Begins *[Buenos Aires TELAM]* 1
ALADI Members Sign Preferential Tariff Accord *[Lima]* 1

CARIBBEAN

Cuba

Castro Issues Declaration, Sends Note on Mandela 2
Third Session of ANPP Begins; Castro Present 2
Guantanamo Report Discussed 2
First Day of Session Ends 3
Backlogging of Goods in Ports Said Problem 3
Scarcity of Products Said Not Justifiable 4
Havana's Water Supply Network 'Obsolete' 4

Haiti

Note Circulates on Lafontant Joseph Murder 5
Work Stoppage Suggested 5

Jamaica

Seaga on 'Good Conduct' Talks With JLP 5
JLP Supporters Attacked En Route to Conference 6

Trinidad and Tobago

Former Minister Panday Attacks Ethics Code 6

MEXICO

Archbishop To Join Electoral Fraud Protests *[EFE]* 8
Significance of High Absenteeism Viewed *[EL DIA 14 Jul]* 8
Ecuador's Febres-Cordero Congratulates Salinas 8
Foreign Secretary Sepulveda Visits Japan *[cross-reference]* 8

CENTRAL AMERICA

Costa Rica

Arias Meets Nicaraguan Opposition Leaders 9
Arias on Drug Trafficking, Corruption 9
Madrigal: Nicaragua's D'Escoto 'Disturbed Man' 10

El Salvador

Rivera y Damas Defends Church Role in Dialogue 11
Rosa Chavez on U.S. Military Aid, Dialogue 11
Arrest Warrant Issued for Returning Exile *[EL DIARIO DE HOY 16 Jul]* 12
U.S. Group Supports Chavez Mena in Elections *[LA PRENSA GRAFICA 15 Jul]* 12
FMLN Announces End of Transportation Stoppage *[Venceremos]* 12
FMLN Continues Sabotage of Electricity System 12
Venceremos Reports Honduran 'Meddling' 13

Guatemala

President Cerezo Names New Government Minister *[Buenos Aires REUTER]* 13
Government Regrets Nicaraguan Media Closures *[ACAN]* 13
Cerezo Respect for Free Press Questioned *[EL GRAFICO 15 Jul]* 14
URNG Rebel on Government, Foreign Contacts *[PRENSA LIBRE 15 Jul]* 14

Honduras

Details of Shooting Attack on U.S. Soldiers 14
Cinchoneros Credited *[Venceremos]* 15
Azcona on U.S.-Nicaraguan Relations, Economy 15

Nicaragua

Tunnermann Foresees No Break in U.S. Relations 16
Borge Warns of 'Institutional Violence' *[Buenos Aires REUTER]* 16
Bayardo Arce Comments on Relations With U.S. 17
RN Holds Annual Meeting in Santo Domingo *[Santo Domingo]* 17
Calero: Talks Should End *[San Jose]* 17
Bermudez in Directorate *[Buenos Aires REUTER]* 17
Government Protests Meeting *[Buenos Aires REUTER]* 18
Obando y Bravo on 'Tensions,' Talks, Media 18
'Deep Concern' of Clergy Over Recent Events *[AFP]* 19
Jail Sentences for 36 in Nandaime Incident *[EL NEUVO DIARIO 15 Jul]* 19
Defense Ministry Bulletin on Contra Attacks 20
Takeover of San Antonio Sugar Mill Defended *[BARRICADA 15 Jul]* 20
Cambodian Leader Arrives in Managua 15 July 20

Panama

Solis Addresses Special Assembly Session 21
On Economy, Electoral Law 25
Bishops Call for Reopening of Media, Dialogue 28
Government Eases Checking Account Restrictions 29
Government Denies Printing Paper Currency 29
Comment on Senate Statements by DEA Director 29
'Slander Exposed' *[MATUTINO 18 Jul]* 29
No Evidence Against Noriega *[CRITICA 18 Jul]* 30

SOUTH AMERICA

Argentina

Caputo Comments on Iran's Decision, Apartheid 31
Ministry Supports Mandela 31
Central Bank President To Negotiate Loan 31
Presidential Candidate Leaves on European Tour 31
Soviet Journalist Delegation Makes Visit 31
Brazilian Science, Technology Minister Visits 32

Bolivia

Planning Minister Rejects Paris Club Offer *[Buenos Aires DYN]* 32

Brazil

Weapons Manufacturers Seek Libyan Sales *[FOLHA DE SAO PAULO 17 Jul]* 32
Seven Drug Traffickers Killed in "Mosaico 2" 33
Operation Results Reported 33
PCB Secretary General Attends CPSU Congress *[FOLHA DE SAO PAULO 16 Jul]* 34

Production Accord Signed With Soviets, Swedish *[FOLHA DE SAO PAULO 16 Jul]* 34
Space Vehicle Scheduled for Launch in November *[FOLHA DE SAO PAULO 17 Jul]* 34
Thousands Left Homeless in Wake of Heavy Rains 35
Industry Minister Takes 90 Days Sick Leave *[O GLOBO 17 Jul]* 36

Chile

EEC Note Rebutted by Foreign Ministry Communique 36
Communist Youth Refused Entry in Movement 36

Ecuador

Government Authorizes Agreement With Paris Club 36

Paraguay

Police Release Jesuit Priest De la Vega *[EL DIARIO 18 Jul]* 37

Peru

Shining Path Terrorists Kill 3 Engineers *[EFE]* 37
Car Bomb Explodes in Front of Joint Command *[Buenos Aires DYN]* 37
Police Discover, Destroy Cocaine Laboratories *[EFE]* 38

Uruguay

Deputy Foreign Minister Ends South Asian Tour 38

Daily Report
Latin America

FBIS-LAT-88-139 *20 July 1988*

CONTENTS

CARIBBEAN

Cuba

Program on Angolan Fighting, Situation 1

Dominican Republic

Government Rejects Contra Meeting Protest Note *[EFE]* 19

MEXICO

Cardenas Claims Evidence of FDN Victory *[EL DIA 15 Jul]* 20
Clouthier Begins 'Peaceful Struggle' in Sinaloa *[EL DIA 16 Jul]* 20
Elections Seen as 'Authentic Popular Uprising' *[EL DIA 14 Jul]* 20
Pemex Reports Oil Price Drop in June *[UNOMASUNO 11 Jul]* 21
Briefs 21
Parastate Companies Sold 21

CENTRAL AMERICA

Costa Rica

Arias: Sandinists 'Afraid' of Peace, Democracy 22

Guatemala

Cerezo on Economic 'Crisis,' Speculation 22

Honduras

Cinchoneros Claim Credit for Attack on GI's *[ACAN]* 22

Nicaragua

Ortega Extends Cease-Fire on 9th Anniversary 23
Ortega on Contra Talks, Dialogue, Economy *[Sofie POGLED 18 Jul]* 25
Comments on Solidarity *[Havana]* 26
Bermudez on Election as RN Directorate Member *[EFE]* 27
Southern Front Withdraws *[AFP]* 27
Opposition Leader on Meeting With Arias 28
Cambodian Leader Meets Ortegas, Receives Medal *[Phnom Penh]* 28

Panama

'Illegal' PCC Meeting in U.S. Denounced 28
U.S. 'Reportedly Preparing' Military Actions 29

Juan Sosa Says Delvalle Returned From U.S. *[AFP]* 29
Molirena on Electoral Law Reform Bill Debates *[LA ESTRELLA DE PANAMA 18 Jul]* 29
Opposition Parties To Attend Assembly Sessions 30
Businessmen Oppose 'Radical Economic Changes' 30

SOUTH AMERICA

Argentina

Satellite Technology Being Sent to Egypt 31
Government Satisfied With Iran-Iraq Truce 31
PRC Wants To Increase Sugar Purchases 31
Menem on Military Amnesty, Reform, Falklands *[BUENOS AIRES HERALD 19 Jul]* 31
Mexican Deputy Minister on Debt, Other Issues 32
Rio Negro Province Unaware of Nuclear Study 32
Three Alleged Chilean Leftists Arrested 33

Bolivia

Minister To Negotiate Purchase of Foreign Debt 33
Briefs 33
Monetary Reserves Increase 33

Brazil

Sarney, USSR Envoy Discuss Relations, Visit 33
$500-Million Bridge Loan Announced *[EFE]* 33
U.S. To Participate 34
Sarney, PFL Leaders Deny Price Freeze Rumors 34
Costa Rican Foreign Minister Begins 2-Day Visit 34
Comments on Relations *[San Jose]* 35
Paraguayan Cocaine Connection Reported *[O GLOBO 19 Jul]* 35
'Mosaic 2' Nets Another Top Drug Trafficker 35

Chile

Pinochet Comments on Political Issues, U.S. *[LA TERCERA DE LA HORA 10 Jul]* 35
Defense Minister on Plebiscite, Military *[LA TERCERA DE LA HORA 11 Jul]* 37
Carabineros Chief on Plebiscite, Terrorism *[EL MERCURIO 9 Jul]* 39
Independent Group Calls for Consensus Candidate *[EL MERCURIO 9 Jul]* 39
Opposition PDC Leader's House Attacked *[EL MERCURIO 11 Jul]* 40
Support Expressed *[LA TERCERA DE LA HORA 12 Jul]* 40
'Terrorists' Hold Up Bank; Distribute Leaflets 40
Extremist Arrested on Border With Argentina *[EL MERCURIO 9 Jul]* 40
Explosives Found Buried in Valdivia *[EL MERCURIO 9 Jul]* 40

Colombia

M-19 May Release Gomez Within 24 Hours *[AFP]* 41
Gomez' Safety Ordered *[DPA]* 41
Senator Defends Dialogue *[EL SIGLO 15 Jul]* 41
Ambassador Voices Approval *[Panama City]* 42

Ecuador

Febres-Cordero Thanks Castro, Cuban Medical Team *[Havana]* 42

Peru

Contract Signed for Gas Pipeline Construction 42
Police Arrest 234 Demonstrators in Lima *[EFE]* 42
Alledged MRTA 'Terrorists' Attack Guard Post 43

Uruguay

Sanguinetti Speaks on Constitution Day 43
Defense Minister on Speech 44
Grenadier Guardsmen Repress Demonstration 44

Suriname

President Shankar Visits Defense Ministry 44
No Agreement Reached on Bauxite Companies 44
Netherlands Development Minister To Arrive 44

Daily Report
Latin America

FBIS-LAT-88-140 *21 July 1988*

CONTENTS

CARIBBEAN

Cuba

Peace Plan for Southwestern Africa Reported 1
Date of Geneva Talks Noted 1
Aldana Meets UN High Commissioner for Namibia 1
'Displeasure' Over U.S. Interests Section Party *[AFP]* 2
Castro Meets Cambodia's Heng Samrin on Arrival 2
Official Talks Begin 2
Heng Samrin Decorated 3
Castro Message to Nicaragua on Anniversary *[Managua]* 3
Castro Congratulates Mexico's Salinas 3
Rodriguez Receives New Soviet Ambassador 3
Castro Inaugurates Science Academy Reading Room 4
Ciego de Avila Area Attains Defense Stage 2 4
5 Killed, 150 Poisoned From Methyl Alcohol 4

Haiti

Lafontant Joseph Funeral Held 'in Secret' 4
Way of Burial Protested 4
1,000 Attend Mass 5
Special Finance Ministry Committee Created 6

Jamaica

Seaga To Meet Manley on 'Upsurge' of Violence 6
Political Supporters Clash; Injuries Reported 6
Free Elections 'Almost Impossible To Ensure' 6
Police Official Shot; Constable Killed 7

MEXICO

Voter Registry Chief Denies Election Fraud *[EL DIA 16 Jul]* 8
Salinas Congratulated on Election Victory 8
Government Hits OPEC 'Lack of Discipline' *[UNOMASUNO 16 Jul]* 8

CENTRAL AMERICA

Honduras

Attack on U.S. Soldiers Under Investigation 9
5 Suspects Arrested *[EL HERALDO 19 Jul]* 9
Government Condemns Attack *[EL HERALDO 19 Jul]* 9
Azcona on Trip to El Salvador, C.A. Summit 10

Nicaragua

Party Figures on Ortega Revolution-Day Speech 10
RN Blames Government for Santo Domingo Blast *[DPA]* 11
Contras Kill 7 Civilians in 19 Jul Ambush 11
Casualties From Contra Attacks Reported 11
Envoy to CSSR Attacks U.S. 'Undeclared War' *[Prague RUDE PRAVO 12 Jul]* 12
Envoy to Hungary on Achievements, Restrictions *[Budapest NEPSZABADSAG 16 Jul]* 12

Panama

Ritter Says Amb Davis Will Not Be Expelled *[LA ESTRELLA DE PANAMA 20 Jul]* 13
On PCC Meeting, Libya Visit 14
U.S. Plane Drops 'Device' in Canal Area 14
'Presidential Possibilities' of Noriega Lauded *[CRITICA 20 Jul]* 14

SOUTH AMERICA

Argentina

Problems Obtaining New Credit Reported 16
Official: 'Progress' in Talks 16
Negotiators' 'Early Return' 16
Caputo on Group of 8, North-South Relations 17
Cocaine in Deodorant Cans Seized; 2 Arrested 17

Bolivia

Military Deems Congress Salary Hike Too High *[PRESENCIA 17 Jul]* 18
Salary Payments Suspended 18
Finance Minister on Economic Indicators *[EL DIARIO 18 Jul]* 18
Soviet Mission To Study Flights to La Paz *[EL MERCURIO 13 Jul]* 19
Minister Denies Report 19

Brazil

Finance Minister Seeks Support on Debt *[FOLHA DE SAO PAULO 19 Jul]* 19
Details on Brazilian-Soviet Exchange Programs *[FOLHA DE SAO PAULO 19 Jul]* 20
Drug Trafficker Operations, Routes Revealed *[O GLOBO 19 Jul]* 21

Chile

Pinochet Silent on Possible Plebiscite Meeting *[EFE]* 21
Merino on EEC, Church Statement, Plebiscite 22
Bomb Blast at Mormon Church Injures 3 Youths 22

Colombia

Gomez Hurtado Released on Corner Near Home *[EFE]* 22
Barco Comments 23
New Justice Minister Says Drugs Worldwide Issue 23
Medellin Cartel Blamed for Journalist's Murder 23

Peru

100 'Terrorists' Attack Police Post; 7 Killed 23

Venezuela

AD Formally Nominates Presidential Candidate 24

Daily Report
Latin America

FBIS-LAT-88-141 *22 July 1988*

CONTENTS

CARIBBEAN

Cuba

U.S. Interests Section Actions 'Interference' 1
ANPP Discusses License Plate Problem 1

Haiti

Military Government Announces Job Program 7
Emergency Projects Detailed 7
Pro-Namphy Demonstrations Held 14-17 Jul 8
CATH Statement, Union Activity Reported 8
Priests On Namphy's Plans for New Constitution 9
Dominican Embassy Denies Haitians Maltreated 10

Jamaica

New Paper Fails To Appear as Scheduled 10

CENTRAL AMERICA

El Salvador

Violence During UNTS Protest in San Salvador 11
'Revolutionary' Violence *[Venceremos]* 11
Government Blames Union 11

Guatemala

Government Orders Cancellation of News Segment *[PRENSA LIBRE 21 Jul]* 12
Rebels Occupy Radio Station, Broadcast Message *[San Jose]* 12
Briefs 12
New Public Security Service 12

Honduras

Azcona Decrees Economic Austerity Measures 13
Azcona on Esquipulas, Nicaragua, U.S. Ties *[San Salvador TV]* 14
Bomb Explodes Near Armed Forces Offices *[ACAN]* 16

Nicaragua

Borge on Reasons for Government Measures *[BARRICADA 16 Jul]* 16
Interior Ministry on U.S. Envoys' Activities *[BARRICADA 16 Jul]* 19
Government Requests U.S. Visa for Tunnermann 20

Radio, Newscast Directors Appeal Closure *[ACAN]* 20
Ministry Says 6 Contras Surrender; 5 Killed *[BARRICADA 19 Jul]* 20
Cambodian Leader Ends Official 4-Day Visit 21
Briefs 21
Bulgarian Aid Donation 21

Panama

Official on Report of Attacks at U.S. Base 21
Deputies, Businessmen on Electoral Code Bill 21

SOUTH AMERICA

Argentina

Brodersohn, Machinea on Debt, Loan Talks 23
New Agreement Announced 23
Finance Officials on Exchange Rates, Prices 23
Deputies Score Countries for Rights Violations 24
Nicaragua's Cabezas: We 'Beg for Solidarity' 24
Radioactivity Detected Near Tierra del Fuego *[Sao Paulo VEJA 20 Jul]* 25
CNEA President Comments on Nuclear Waste *[CLARIN 21 Jul]* 25
Police Uncover Landing Strip; Confiscate Planes *[BUENOS AIRES HERALD 21 Jul]* 25

Bolivia

Alleged Drug Trafficker Suarez Arrested 25
Ministers on Arrest 26
Legislator Reports on Cocaine Shipments Abroad *[EFE]* 27
Red Cross Leader Comments on Youth Drug Use 27
Case of Contraband PRC Weapons Concluded 27

Brazil

Army Responds to U.S. Company's Criticism 27
Costa Rica's Madrigal on Talks, Nicaragua *[O ESTADO DE SAO PAULO 20 Jul]* 28
Foreign Minister Condemns South Africa *[O ESTADO DE SAO PAULO 20 Jul]* 28
Delegation in Italy Seeks To Increase Trade 28

Chile

Pinochet Speaks on Plebiscite, Violence 29
Socialists' Nunez on 'Transition to Democracy'
Union Report Electoral 'Pressure' on Peasants 29
Pinochet Attack Participant Held in Argentina 30

Colombia

Barco Delivers Independence Day Address 30
Addresses House 34
Gomez Hurtado Comments on Release by M-19 *[AFP]* 35
Barco To Visit Ecuador; Invited to USSR in 1989 *[EL TIEMPO 16 Jul]* 35
FARC Implicated in Large Drug Operation *[EL TIEMPO 14 Jul]* 36
Police Find Bodies of Kidnapped Italians *[AFP]* 36
Briefs 36
Agreement Signed With GDR 36

Ecuador

Members of Future Borja Cabinet Announced 37
New Police Commander; 4 Colonels Promoted 37

Peru

Shining Path's Morote Acquitted in Court 37
Soria on Morote Acquittal; Urges New Laws 37
CGTP-Sponsored Strike 'Almost Unnoticed' 38
Prime Minister Comments 38
Labor Minister on Situation 38
High Court: Strike Illegal 39
Gonzalez on Regional Integration Meeting 39
Garcia Opens Session 40
Mining Official Discusses Project in PRC 40

Suriname

Netherlands Development Minister Arrives 40
Agreement on Aid 40

Daily Report
Latin America

FBIS-LAT-88-142 *25 July 1988*

CONTENTS

INTER-AMERICAN AFFAIRS

Regional Agricultural Cooperation Meeting Opens 1
Solis Palma Speech *[Panama City]* 1
Nicaragua's Wheelock Speaks *[Panama City]* 2

CARIBBEAN

Cuba

Southwest Africa Accord, Peace Prospects Viewed 5
Cape Verde Meeting on Quadripartite Talks Noted 5
Troop Withdrawal From Angola Not Yet Determined 5
Castro Inaugurates Contramaestre Hospital 6
Further on Inauguration 6
Talks With Hospital Workers 7
Tours Cardiology Center 8
Castro Visits Granma; Talks With Officials 9
Further on Visit of Cambodia's Heng Samrin 9
Tours Isle of Youth 9
Visits Biotechnology Center 10
At Hospital, Doctor's Office 10
Explanation for Erratic Gas Supply Urged 10
Sugar Union Calls on Members To Work 26 Jul 11

Dominican Republic

Foreign Exchange Controls To Begin 1 August 11
Trade Union Seeks Labor Secretary's Mediation 11

Haiti

Namphy Receives Development Advisers 11
Former Deputy Named Development Adviser 11
Mayor Announces Construction of Marketplace 12
Anniversary of Jean-Rabel Massacre Marked 12
Three Tried, Sentenced for Killing Officer 12
Tobacco Company Sales Drop, Exports Considered 13

MEXICO

Cardenas Calls for 15 Aug March Against Fraud *[EL DIA 21 Jul]* 14
Cardenas, PMS Leader on FDN, Elections *[UNOMASUNO 20 Jul]* 14
PAN Claims 'Proof' of Election Fraud *[THE NEWS 20 Jul]* 15
Police Say Killing of Reporter, Others 'Error' 15

CENTRAL AMERICA

Costa Rica

Arias Agrees To Host Sandinist-Contra Talks *[ACAN]* 16

El Salvador

PDC, ARENA Deputies Want U.S. Envoy Expelled *[Buenos Aires REUTER]* 16
Castillo Decries Nicaragua's 'Socialist' Status *[EL MUNDO 20 Jul]* 16
Foreign Minister on C.A. Presidents Meeting 16
Rosa Chavez on Leftist Leader's Return *[DPA]* 17
UNTS Rejects Coprefa Report of Demonstration 17
Defense Officials on Proposed Emergency Law *[LA PRENSA GRAFICA 23 Jul]* 18
Blandon on Protecting Civilian Defense Posts 18

Guatemala

3 Discharged for Coup Attempt Participation *[EL GRAFICO 21 Jul]* 19
Media Director Denies Closing News Segment *[PRENSA LIBRE 22 Jul]* 19
Body of Kidnapped Lawyer Found 22 Jul *[ACAN]* 19
Judge Released 19

Nicaragua

Ortega on Talks With Contras, Dukakis Remarks 20
Praises Dukakis Speech *[ACAN]* 20
Ramirez on Relations With U.S., LA PRENSA *[ACAN]* 21
Cesar on RN Organization, Possibility of Talks *[San Jose]* 21
Asks Arias To Host Talks *[ACAN]* 22
Southern Front Offers To Talk With Government *[Buenos Aires REUTER]* 22
Appoints New Military Chief *[DPA]* 23
Wheelock on Bermudez RN Directorate Election *[ACAN]* 23
On U.S. Panama Policy *[Panama City TV]* 23
CIA 'Imposition' of Bermudez on Contras *[BARRICADA 21 Jul]* 24
Nandaime Protesters Turned Over to Authorities *[BARRICADA 21 Jul]* 24
Ortega's Anniversary Speech Criticized 25
Defense Ministry Reports 20-21 Jul Clashes 25

Panama

Reporter Arrested for Threat to State Security *[San Jose]* 26
Esquivel on Opposition Unity, Electoral Code 26
Labor Minister on Unemployment Situation *[LA ESTRELLA DE PANAMA 24 Jul]* 27

SOUTH AMERICA

Argentina

Ministry Official on 'Economic Shock Plan' 28
Caridi Comments on Military; Decorates General 28
Costa Rican Foreign Minister Arrives 28
OAU Secretary General Visits Caputo 29
Italian Firm To Build Helicopters in Cordoba 29
Remote-Controlled Missile To Test in La Rioja *[LA PRENSA 22 Jul]* 29
Government Declares Gas Strike Illegal 30
Arrest of Chilean Leftists Discussed 30
Judge on Extradition 30
Federal Police Break Drug Trafficking Ring 30

Bolivia

World Bank Approves Bolivian Economic Program 31
Foreign Minister on Suarez Extradition *[Buenos Aires TELAM]* 31
Suarez Responds to Press 31
Deputy Says No Bail 32
Reaction To Arrest *[EFE]* 32

Brazil

Government To Resort to GATT on U.S. Sanctions *[O ESTADO DE SAO PAULO 24 Jul]* 32
Sodre on U.S. Action *[FOLHA DE SAO PAULO 24 Jul]* 33
Accord With U.S. Expected 'Before September' *[O GLOBO 24 Jul]* 33
Aeronautics Minister on Elections, Candidates *[O ESTADO DE SAO PAULO 21 Jul]* 34
Government Unable To Continue Nuclear Programs *[O ESTADO DE SAO PAULO 21 Jul]* 34
Controversial ICBM, Other Projects Viewed *[FOLHA DE SAO PAULO 21 Jul]* 34
Separation System Mechanism Under Study *[FOLHA DE SAO PAULO 21 Jul]* 35

Chile

Pinochet To Announce New Economic Measures 35
General Matthei on Plebiscite Date, Retirement 36
Exporters Comment on Possible U.S. Retaliation 36
Two More Alleged 'Terrorists' Arrested 37
Identities of Three Released 37

Colombia

Preparations for National Dialogue Under Way 37
Gomez Confirms Attendance 37
Government Presence Urged 37
Government To Participate *[Buenos Aires REUTER]* 38
Barco Communique *[EL TIEMPO 22 Jul]* 38
13 Guerrillas Killed in Various Clashes 39
Rebel Suspect, 11 Others Die in Barrancabermeja 39
Army Kills 293 Rebels in 1st 6 Months of 1988 39
ELN Destroys Stretch of Oil Pipeline in Arauca *[EFE]* 39

Peru

Interview of Shining Path's Guzman Published *[EFE]* 39
Garcia Says Morote Acquittal 'Scandal' *[EFE]* 40
'Perverse' Economic 'Bondage' 40
Refinancing of Debt to USSR Reported 41
Foreign Minister on Arms Shipment, Terrorism *[EFE]* 41
Villanueva Meets Costa Rican Foreign Minister 41
Shining Path Kills 4 Soldiers, Wounds 9 *[EFE]* 41
Peruvian, Colombian Drug Gangs Clash; 11 Die *[EFE]* 42
Terrorists Disrupt Electric Power in Ayacucho *[EFE]* 42

Uruguay

Debt Increases $1 Billion From 1984 to 1987 *[EFE]* 43

Venezuela

Ousted Haitian President Manigat Arrives 43
Polish Ship With Weapons for Peru Detained *[EFE]* 43
Lusinchi Obtains 77-Percent Approval Rating 44
Education Minister, Defense Official Sworn In 44

Daily Report
Latin America

FBIS-LAT-88-143 *26 July 1988*

CONTENTS

CARIBBEAN

Cuba

Castro Cited on Perestroyka, Rectification *[AFP]* 1
Castro Continues Tour of Santiago de Cuba 1
Tours Airport 1
Inaugurates Oil Refinery 1
Tours Other Areas 3
Raul Castro Decorates Retired Workers 3
Foreign Officials Arrive for Moncada Ceremony 3
ANPP Session Discusses Research Work, Crime 3

Haiti

Students on Refusal To Take Exam in September 10
Ministry Asks Judges To Clear Caseloads 11
Justice Ministry Warns No-Show Jurors 11

Jamaica

PNP, JLP Disagree on Signing Peace Accord 12
Private Sector Reacts 12
Poll Shows Manley 'Most Admired Politician' 13

Trinidad and Tobago

Opposition Senators Walk Out on Bill Debate 13

CENTRAL AMERICA

El Salvador

Duarte Says Nicaragua Violates Esquipulas 15
MNR Proposes Ungo as Presidential Candidate 15

Honduras

President Azcona Comments on Violence, Economy *[EL HERALDO 23 Jul]* 15
Regalado Dismisses Military Coup Rumors 16

Nicaragua

Government Suspends Newscast for 48 Hours 16
Obando y Bravo on Arms Buildup, Closed Media 16
Tirado on Opposition, Shultz Tour, Economy *[EL NUEVO DIARIO 25 Jul]* 17
State Security Disbands PSC Cell in Chinandega *[BARRICADA 25 Jul]* 18

Panama

Ritter on U.S. Actions, Future Relations *[Belgrade TANJUG]* 18
Liberal Party Leader on Conflict, U.S. Relations *[LA ESTRELLA DE PANAMA 24 Jul]* 19
Extradition Sought for Belgium, Brazil Envoys *[CRITICA 25 Jul]* 20

SOUTH AMERICA

Argentina

Alfonsin Comments on Economy, Foreign Debt 21
Sourrouille Confirms Deindexation Proposal 21
Caputo on Arrested Chileans; Meets Costa Rican 22
Argentine Linked to Chile's FPMR Arrested *[CLARIN 25 Jul]* 22
Chileans Photograph Army Base; Arrested 22
Officers 'Acted as Advisers' to Contras 23

Bolivia

Trafficker Linked to Medellin Cartel Arrested *[Buenos Aires DYN]* 23

Brazil

Foreign Debt Interest Payments Made Current 23
Guimaraes Calls U.S. Decision 'Irrelevant' *[O GLOBO 24 Jul]* 23
Government To Ask for Sanctioned Products List 24

Chile

Junta To Choose Presidential Candidate 30 Aug 24
Plebiscite 'May Be' in Oct 24
3 FPMR Members Arrested for Carabinero's Death 24
Bomb Attacks Reported in Valdivia, San Antonio *[EFE]* 25

Colombia

Government Not To Attend 29 Jul Meeting *[AFP]* 25

Paraguay

Spanish Priest Kidnapped, Expelled to Argentina *[EFE]* 25

Peru

Garcia Comments on Arms Shipment, Economy 26
Arms Detained in Venezuela Destined for Police *[EFE]* 27
New U.S. Helicopters To Join War on Drugs 27

Venezuela

Haiti's Manigat Blames U.S. for Coup *[Buenos Aires REUTER]* 27
Leftist Group Nominates Presidential Candidate *[AFP]* 28

Daily Report
Latin America

FBIS-LAT-88-144 *27 July 1988*

CONTENTS

INTER-AMERICAN AFFAIRS

Slight Economic Slowdown Noted in Andean Group *[EFE]* 1

CARIBBEAN

Cuba

Southwest Africa Accord, Peace Prospects Viewed 2
Panama's Solis, External 'Pressures' Viewed 3
Cambodia's Heng Samrin Continues Visit 4
Phnom Penh on Talks *[SPK]* 4
Visits Playa Giron, Museum 4
Honors Marti in Santiago 4
FAR Decorates 34 Workers in Sancti Spiritus 4

Haiti

Military Officer on Civic Activities, Goals 4
Human Rights Seminar Planned for Military 5
Further on Labor Conflict at Garment Factory 5
Solidarity Week With Students Planned 6
Price of Kerosene, Oil Gas To Decrease 7

Jamaica

Poll Shows Manley Preferred for Prime Minister 7

MEXICO

Cardenas Rejects Violence, Urges Legal Actions *[EL DIA 24 Jul]* 8
Clouthier: PAN To Hold Trial on Elections *[EL DIA 24 Jul]* 8
Economic Solidarity Pact To Remain in Effect *[UNOMASUNO 20 Jul]* 9
De la Madrid on Need for Trade Diversification 9
New Group Claims Mexico City Bomb Explosion *[AFP]* 9
87 New Radio Channels To Be Added to AM Band *[EL NACIONAL 19 Jul]* 10
Briefs 10
Drug Campaign Statistics 10

CENTRAL AMERICA

Guatemala

'Terrorist' Ambush Leaves Three Soldiers Dead 11

Honduras

Anti-Sandinists Burn Ortega Effigy at Embassy *[San Jose]* 11

Nicaragua

Ortega on Outline of Last U.S. 'Offensive' *[Mexico City TV]* 11
Ortega Congratulates Castro on Anniversary 11

Panama

Arnulfo Arias To Return at 'Appropriate Time' 12
Possible Arnulfist-Torrijist Alliance Viewed *[CRITICA 26 Jul]* 12
Villalaz on 'Repressive Apparatus,' Incursions
M-19 Commanders Thank Noriega for 'Solidarity' *[LA ESTRELLA DE PANAMA 26 Jul]* 12

SOUTH AMERICA

Argentina

President, Vice President View Debt Situation 15
Economy Official Denies Price Freeze 15
Public Hearing on Falklands War Trial Begins 15
Nicaragua's Cabezas on Relations With U.S. 16
Alfonsin Receives Costa Rican Foreign Minister 16
Senator on Multipurpose Domestic Satellite 16

Brazil

Sarney on New Constitution, Other Issues 16
Military Concerned About Constitution *[O ESTADO DE SAO PAULO 26 Jul]* 20
Finance Minister Returns From New York 20
Receives Support 20
Court President Suspends URP Payments for 1 Month 20

Chile

Pinochet Says 'I Accept Political Parties' 21
Santiago Mayor Says Plebiscite Date 5 Oct 21
Aylwin: Junta Plebiscite Meeting 'Good News' 21
Chileans in Argentina Deny FPMR Membership 21
Journalists Indicted; Violated Constitution 22
South African Embassy Target of Bomb Attack *[Buenos Aires DYN]* 22
Three Bomb Blasts Rattle Santiago; No Injuries 22

Peru

Alan Garcia Receives Uruguayan Foreign Minister 22
CGTP Strike 'Partially' Observed by Workers 23
Prime Minister on Strike 23
Group of Eight Meeting in Lima Next Year 23
Official on Arms From GDR, Alleged Interview 24
Civil Guard Arrests Teachers, FRG Photographer *[EFE]* 24

Uruguay

Argentine Army Commander Caridi Ends Visit 24

French Guiana

Ariane Launched With Two Satellites 21 Jul *[AFP]* 24
Officials: Launch 'Success' *[AFP]* 25

Suriname

Assembly Questions Ministers on Bauxite Pact 25
Finance Minister Comments 25
Resources Minister Statement 25

Daily Report
Latin America

FBIS-LAT-88-145 *28 July 1988*

CONTENTS

CARIBBEAN

Cuba

Castro Moncada Barracks Anniversary Speech 1
Heng Samrin Decorates Castro; Departs 18

Haiti

Opposition Government in Exile Formed 19
Groups To Mark U.S. Occupation Anniversary 19
Rally Protesting Maneuvers Held 20
Information Ministry on Namphy's Donations 20

CENTRAL AMERICA

Nicaragua

D'Escoto Condemns Renewed Contra Aid 21
Government Announces LA PRENSA Reopening 21
Bermudez Resigns as Contra Military Commander 21
Contra Leaders Discuss Future Plans, Cease-Fire *[San Jose]* 22
EPS Kills 18 Contras in 21-23 Jul Battles *[BARRICADA 26 Jul]* 22
25-26 July Actions 22

Panama

Ritter on Reported U.S. Plans To Oust Noriega 22
Information System Communique on Covert Actions *[Buenos Aires REUTER]* 23
Article Says No Drug Evidence Against Noriega 23
Television Reports on Delvalle, Reagan Meeting 23
Legislative Assembly Lacks Funds To Operate 23
Government Unable To Pay Public Workers' Bonuses 24
Magistrate Criticizes Jailing of Journalist 24

SOUTH AMERICA

Argentina

Finance Secretary, Bank President Leave for U.S. 26
Seeking IMF Agreement 26
Defense Minister on U.S., Defense, Falklands 26
Recognition of PCA Withdrawn in La Pampa 27
Test Flight of Pilotless 'Bigua' Plane Fails 27

Brazil

Protest Lodged With GATT Over U.S. Measures 27
Finance Minister Promises No 'Drastic Measures' 27
IMF Approves Adjustment Program 28

Assembly Approves General Terms of Constitution 28
Sarney's Reaction to Vote 28
Army Minister Gives 'Full Support' to Sarney *[O GLOBO 27 Jul]* 28

Chile

Industrialist on 'Brutal' U.S. Retaliation *[LA SEGUNDA 20 Jul]* 29
Interior Minister on State of Exception 29
CP's Isunza Comments on Plebiscite, USSR *[Rome AVANTI 23 Jul]* 29

Daily Report
Latin America

FBIS-LAT-88-146 *29 July 1988*

CONTENTS

CARIBBEAN

Cuba

Human Rights Group Seeks Approval for New Party *[Bonaire]* 1
Cuban, Angolan, S. African Delegations Meet 1
Nicaragua's Borge Gives Santiago News Conference 1
Further on Solidarity 1
Trade Agreement Documents Signed With Peru 2

Bahamas

Government Welcomes U.S. Efforts Against Drugs 2

Haiti

Further on Jean-Rabel Massacre Anniversary 3
Jacmel Leaders Support Namphy Government 4
Lottery Depicted as 'Benevolent Institution' 4
Trade Union Informs Minister of Plant Problems 4
Baccalaureate Student Registration in Progress 5
Student Protest Viewed 5

Jamaica

Seaga-Manley Statement on Talks Resumption 6

Trinidad and Tobago

Robinson 'Optimistic' About Economic 'Triumph' 7

CENTRAL AMERICA

Costa Rica

Civil Police Arrest 12 Contras in Las Crucitas 8

El Salvador

Duarte, 6 Party Leaders Sign Joint Declaration 8
Three Rightist Parties Form New Coalition *[ACAN]* 8
Costa Rican President Arrives on Official Visit *[San Jose]* 8
Meets Duarte, Departs 9
Vides on FMLN Capabilities, Demonstrators 9

Honduras

Mexico, Venezuela Temporarily Suspend Trade *[ACAN]* 10
Azcona on C.A. Peace Efforts, Nicaragua *[Madrid ABC 21 Jul]* 10
Azcona on U.S. Cooperation, Local Politics 11

Nicaragua

Ortega Letter to Arias on Esquipulas Agreement 12
Greets Peru's Garcia 12

Pastora Announces Plans To Return to Managua *[ACAN]* 12
Southern Front Leaders on Bermudez Rejection *[AFP]* 13
LA PRENSA Vows To Continue Editorial Policy *[27 Jul]* 14
Tunnermann on Visa Denial, New U.S. Envoy 15
Minister Henry Ruiz Addresses CEMA Meeting *[BARRICADA 22 Jul]* 16

Panama

Reaction to Report of New United States Plan 18
General Noriega Comments *[DPA]* 18
Solis Palma 18
OAS Ambassador 18
MATUTINO Columnist *[28 Jul]* 19
Solis Palma Comments on Elections at Seminar 19
Solis Palma Plans To Speak at UN in Sep *[EFE]* 21
Threat To Suspend Assembly Sessions Withdrawn *[DPA]* 21
Official on Government Payroll, Aid Requests *[CRITICA 28 Jul]* 21
New Advisory Panel To Prepare for Elections *[CRITICA 28 Jul]* 21
'Myth' of Need for U.S. Dollar Use Viewed 22

SOUTH AMERICA

Argentina

Debt Negotiators Hoping To Reach Agreement 23
Costa Rican Minister on Debt, U.S. Policy *[CLARIN 27 Jul]* 23
Argentine Youth Condemn Pinochet 'Dictatorship' *[CLARIN 27 Jul]* 24
Judge Acquits One Suspect in Chilean Case 24
Some 20 Army Officers Suspected of Extortion 25
Caridi Observes TAM Maneuvers in Entre Rios 25
Second Test of Pilotless Plane Succeeds 25

Bolivia

Bedregal Comments on Relations With U.S. 25
Government To Ask U.S. To Change Coca Demands 25
Finance Minister Says IMF Approved Two Credits 26
Planning Ministry Official on Investment Plans *[PRESENCIA 19 Jul]* 26
Two Bombs Explode; No Injuries Reported 26
DEA Plane Makes Emergency Landing in Yapacani 26

Brazil

Welfare Minister Resigns, Differences With Sarney 27
Resignations Accepted 27
Sodre Says U.S. Sanctioned Products List Due 27
Guimaraes Reportedly Annoyed by Sarney Speech *[O GLOBO 27 Jul]* 27
Addresses Assembly 28

Chile

Matthei Says 'Lift State of Exception Now' 29
Merino Says Communists Want State of Siege *[EL MERCURIO 21 Jul]* 29
Economy Minister: Debt Reduced by $250 Million 30
Comptroller's Office To Regulate Public Servants *[EL MERCURIO 22 Jul]* 30
No-Vote Leader on Number of Voters, Agenda *[EL MERCURIO 22 Jul]* 30
Communist Youth Reject Exclusion From Movement *[EL MERCURIO 22 Jul]* 31
Humanist Party Members Urged To Support No-Vote 31
Pascal Allende Replaced in MIR Military Wing *[LA SEGUNDA 20 Jul]* 31
Subversives Allegedly Trained in Argentina 32
Judge Orders Arrest of 13 Slumdwellers *[EL MERCURIO 21 Jul]* 32

Carabineros Arrest 19 Peasant Youths in Santiago 32
Bombing, Arson in Concepcion; No Injuries 32
Bus Burned; Bomb Detonated in Central Garden 33

Colombia

Barco, 'Summit' Coordinator Hold Meeting 33
Castrillon Comments 33
UCELN, EPL Not To Attend 29 Jul 'Summit' *[EFE]* 34
Details of 29 July Meeting Disclosed 34
Rebel Unit Offers To Suspend Military Activities *[EL TIEMPO 19 Jul]* 34
Samudio: 'Armed Subversion' Greatest Threat *[EL TIEMPO 25 Jul]* 34
Comptroller Warns of 'Major Fiscal Crisis' 35
FARC-Run Cocaine Processing Plant Discovered *[EL TIEMPO 19 Jul]* 35

Ecuador

PCE Leader on Stance Toward New Government 36
Energy Minister on Domestic Production 36

Paraguay

'Concern' About Expulsion of Spanish Jesuit 37
Spanish Government View *[EL DIARIO 28 Jul]* 37
Episcopal Conference *[EL DIARIO 28 Jul]* 37
Opposition Stages Demonstration in Asuncion *[EL DIARIO 28 Jul]* 37

Peru

Justice Minister Seeks Review of Backlog Cases 38
Rebels Cause Blackout in Lima, 7 Departments *[AFP]* 38
Bomb Seriously Damages Chaclacayo Power Tower 38

Uruguay

U.K. Plane Bound for Falklands Lands *[EFE]* 38
President To Receive Official Soviet Mission 38
Acting Minister on UK Plane, Soviet Visit 39
Planning Director on Net Foreign Debt Drop *[Buenos Aires TELAM]* 39
Nuclear Cooperation Agreement With Canada 39

Venezuela

Polish Ship With Weapons for Peru Released 39

Guyana

Labor Ministry Reports Increase in Injuries 40

Suriname

Army Officer Criticizes Government, Brunswijk *[Rotterdam NRC HANDELSBLAD 25 Jul]* 40
Assembly Postpones Talks on Aluminum Agreement 41